



Kansas Department of Health and Environment  
Division of Health Care Finance  
HIT Initiative  
Fact Sheet: The Basics

The American Recovery and Reinvestment Act of 2009 (Recovery Act) created the Medicare and Medicaid electronic health record (EHR) incentive program to promote the adoption and meaningful use of certified EHR technology.

This fact sheet provides a high level overview of Health Information Technology and Electronic Health Records (EHRs), the EHR incentive program, as well as what providers can do to get involved.

### What is HIT and EHR?

Health information technology (HIT) includes technology that supports storage, retrieval, sharing and use of health care information by providers to better manage patient care. Use of HIT can improve health care quality and patient safety, promoting greater value in public health care. Major types of HIT include health information exchanges (HIEs), electronic health records (EHRs) and e-Prescribing. HIEs allow for providers to have connectivity to electronically share medical information for their patients by linking EHRs. EHRs are a longitudinal electronic record of patient health information regarding demographics, problems, medications, past medical history, etc. EHRs can deliver more information in more directions, while reducing “paperwork” time for providers.

### What is the value of EHR and HIT?

Implementation of HIT provided much added value, including improvements in quality, coordination and cost.

- **Quality:** Through implementation of EHRs, health care providers will have access to more timely, accurate and complete information about a patient’s health – which provides great opportunity to improve the quality of care provided and outcomes.
- **Coordination:** Health care providers have an opportunity to better coordinate care for their patients through use of EHRs, which can be connected to bring a patient’s recorded health information together in one accessible location. In addition to creating an avenue for improved coordination among health care providers, use of EHRs has the potential to improve coordination with other stakeholders.
- **Cost:** Use of HIT and EHRs has the potential to significantly decrease healthcare costs. Although expensive on the frontend, implementation and meaningful use of EHRs has the potential to generate savings and increased revenue.



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## **What is the EHR Incentive Program?**

The Medicare and Medicaid EHR incentive programs promote the adoption and meaningful use<sup>1</sup> of electronic health records and offer incentive payments to eligible providers, eligible hospitals and critical access hospitals (CAHs) that choose to participate.

Medicaid can play a key role in supporting widespread HIT adoption in Kansas because the Kansas Medicaid program currently covers nearly 14.9 percent of the Kansas population, and will grow significantly following implementation of coverage expansions in 2014.

Eligible professionals (EPs) for the Medical Assistance EHR incentive program in Kansas are physicians (MDs, DOs), dentists, nurse practitioners, and certified nurse midwives. EPs wishing to participate must select to enroll in either the state Medicaid EHR incentive program or the Medicare EHR incentive program

Eligible hospitals for the EHR incentive program in Kansas include acute care, critical access and children's hospitals. Hospitals are eligible for both Medicaid and Medicare EHR incentive payments.

The earliest EHR Incentive Program payments to eligible professionals (EPs) and eligible hospitals are expected to be made in early calendar year 2012. The incentive program ends in 2016.

Kansas anticipates implementing and beginning registration for its EHR incentive program in early 2012. Providers will need to register for incentive payments at both the Federal level and with the Kansas Medicaid program<sup>2</sup>.

EPs who adopt, implement, upgrade, and meaningfully use EHRs can receive a maximum of \$63,750 in incentive payments from Medicaid over a six year period (Note: There are special eligibility and payment rules for pediatricians). EPs must begin receiving incentive payments by calendar year 2016. EPs who demonstrate meaningful use of certified EHRs can receive a maximum of \$44,000 in incentive payments from Medicare over a five year period.

Additional guidance and information about Kansas' EHR incentive program is posted on its website at: <http://www.kdheks.gov/hcf/hite/default.htm>

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<sup>1</sup> The term being used by the Office of the National Coordinator (ONC) and the Centers for Medicare & Medicaid Services (CMS) to describe the criteria eligible providers must meet to qualify for to receive future financial incentives for using electronic health records (EHRs) in a meaningful manner.

<sup>2</sup> For more information about registration, refer to Fact Sheet: Enrollment